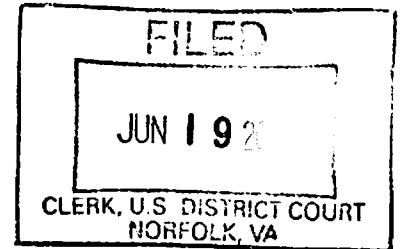


UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF VIRGINIA  
Norfolk Division



JTH TAX, INC. d/b/a LIBERTY  
TAX SERVICE,

Plaintiff,

v.

CIVIL ACTION NO. 2:06cv486

RONALD LEE,

Defendant.

ORDER

On March 20, 2007, plaintiff JTH Tax, Inc. ("JTH") filed a motion to stay proceedings on defendant Ronald Lee's ("Lee") counterclaim and a motion to compel arbitration of Lee's counterclaim, both supported by memoranda. Lee filed responses on April 10, 2007, and JTH filed replies on April 16, 2007.

This matter was referred to a United States Magistrate Judge for Report and Recommendation ("R & R"), pursuant to the provisions of 28 U.S.C. § 636(b)(1)(B) and (C), Rule 72(b) of the Federal Rules of Civil Procedure, and Rule 72 of the Rules of the United States District Court for the Eastern District of Virginia. After considering the relevant submissions of the parties, the Magistrate Judge filed his R & R on April 30, 2007. The Magistrate Judge recommended that the court grant JTH's motions.

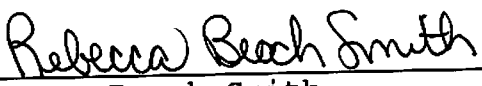
By copy of the R & R, the parties were advised of their right to file written objections to the findings and recommendations made

by the Magistrate Judge. The court received Lee's objections on May 29, 2007. JTH's response to these objections was filed on June 11, 2007.

The court, having examined the objections to the Magistrate Judge's R & R, and the response to the objections, and having made de novo findings with respect thereto, does hereby **ADOPT AND APPROVE** the findings and recommendations set forth in the R & R of the Magistrate Judge filed April 30, 2007, with minor clerical modifications.<sup>1</sup> Accordingly, JTH's motion to stay proceedings on Lee's counterclaim and motion to compel arbitration of Lee's counterclaim are **GRANTED**.

The Clerk is **DIRECTED** to send a copy of this Order to defendant and counsel for plaintiff.

**IT IS SO ORDERED.**

  
Rebecca Beach Smith  
UNITED STATES DISTRICT JUDGE

Norfolk, Virginia

June 19, 2007

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<sup>1</sup> This court finds that the Magistrate Judge erred when he stated that JTH's motion to stay proceedings on Lee's counterclaim was governed by 1 U.S.C. § 3 and JTH's motion to compel arbitration of Lee's counterclaim was governed by 1 U.S.C. § 4. See R & R at 4 & 10. These statements are incorrect and presumably the result of a clerical error. Instead, this court notes that motions to stay proceedings pending arbitration are governed by 9 U.S.C. § 3 and motions to compel arbitration are governed by 9 U.S.C. § 4. As a result, this court **MODIFIES** the Magistrate Judge's R & R accordingly.